

V. NUTRITION SERVICES AND ADMINISTRATION

NSA expenditures involve the process of allocating, documenting and monitoring the distribution of administrative funds to local agencies, including the monitoring of nutrition education costs, and State and local agency direct/indirect costs.

A. Funds Allocation - 246.4(a)(13): describe the policies and procedures used to allocate administrative funds to local agencies, including start-up funds, and conversion of food funds to NSA funds.

B. Local Agency Budgets/Expenditure Plans - 246.4(a)(2): describe the policies and procedures for preparing and submitting local agency budgets and expenditure plans and the services which are entirely supported by WIC Program funds.

C. State and Local Agency Access to Funds - 246.4(a)(12): describe the procedures and method(s) of distribution/reimbursement of NSA funds to local agencies.

D. Reporting and Reviewing of State and Local Agency Expenditures - 246.4(a)(11)(iv) and (12): describe the policies and procedures used to report, monitor and review State and local agencies' expenditures including the documentation of staff time, local agency report forms, on-site reviews of local agencies' NSA expenditures, and in-kind contributions.

E. Nutrition Education Costs - 246.4(a)(9): describe the plans and procedures used to meet the nutrition education expenditure requirements including monitoring activities, local agency reports and assurances that the special nutrition education needs of migrant farmworkers and their families, Indians, and homeless persons are met.

F. Indirect Costs - 246.4(a)(12): describe the policies and procedures used to document and monitor indirect cost rates and services at the State and local level.

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

A. Funds Allocation

A. FUNDS ALLOCATION

☐ **DOES NOT APPLY (PROCEED TO NEXT SECTION)**

1. Allocation Process

a. The State agency has established and provides written procedures to local agencies describing the process for allocation of NSA funds among local agencies.

☒ Yes ☐ No

b. Local agencies were involved in developing these procedures via:

- ☒ task force/committee of selected local agencies
☒ comment on proposals made available to all local agencies
☐ other (describe):

c. The State agency allocates NSA funds to local agencies through the use of:

☐ a negotiated budget ☐ flat cost per participant Statewide
☒ formula (variable) ☐ other method:

d. The allocation procedure takes the following factors into account (check all that apply):

- ☐ staffing needs ☒ population density
☒ number of persons served ☐ cost containment initiatives
☐ availability of administrative support from other sources
☒ other (specify): **fulltime equivalent sites; median household income; average participation by county**

e. The State agency methodology for funds allocations to local agencies includes a mechanism for reallocation.

☒ Yes ☐ monthly ☐ quarterly ☐ semiannually
☒ other: **funding follow caseload automatically; ability to redistribute caseload is written into local agency contract**

☐ No

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

A. Funds Allocation

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

2. Conversion of Food Funds to NSA Funds

a. The State agency allocates converted food funds to local agencies:

- ☐ at the beginning of the year based on projection
☐ as participation permits (for States that do not submit conversion plan)
☒ other (explain): **Converted from vendor collections to support the overall base rate in local agency funding formula**

b. Local agencies which either meet or exceed participation projections necessary to qualify for food to NSA grant conversion or to support the State's conversion plan are rewarded with increases to their NSA grant.

- ☐ Yes ☒ No
☐ Depends (explain):

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

3. The State Agency's Fiscal Year Runs From 9/1 to 8/31

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

B. Local Agency Budgets/Expenditures Plans

B. LOCAL AGENCY BUDGETS/EXPENDITURE PLANS

1. Local Agency Budgets/Expenditure Plans

a. The State agency requires its local agencies to prepare and submit administrative budgets.

☐ Yes ☒ No ☐ Not Applicable

If yes, the State agency requires that local agency budgets include the same cost categories as those used for State level budget preparation.

☐ Yes ☐ No

b. Local agencies' budgets are broken out by (check all that apply):

☒ not applicable

☐ line item

- ☐ accounting
- ☐ ADP services
- ☐ breastfeeding aids
- ☐ capital expenditures
- ☐ clinic/lab services
- ☐ communications
- ☐ employee salaries
- ☐ employee fringe benefits
- ☐ lease or rental of space
- ☐ maintenance and repair
- ☐ materials and supplies
- ☐ memberships, subscriptions, and professional activities
- ☐ printing and reproduction
- ☐ training and education
- ☐ transportation
- ☐ travel
- ☐ other (specify):

☐ **function**

- ☐ general administration/program management
- ☐ food delivery
- ☐ certification
- ☐ nutrition education
- ☐ breastfeeding promotion/support (e.g., breastfeeding aids)
- ☐ client services
- ☐ other (specify):

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B. Local Agency Budgets/Expenditures Plans

☐ other(specify):

- c. The State agency has an established formal process for local agencies to follow when requesting amendments or modifications to their budgets**

☐ Yes ☐ No ☒ Not Applicable

- d. In order to prepare the federally required WIC administrative budget, the State agency:**

- ☐ uses local agency budgets or prior year expenditures
☒ reports under an ongoing system to collect this data
☐ extracts or consolidates data reported under other State or local agency systems to group costs under the federal line items and functions
☐ other (describe):

(State WIC administrative budgets are not submitted to FNS, but are used by States as a management tool and may be reviewed by FNS.)

ADDITIONAL DETAIL: SA/LA Spending Plan Appendix and/or Procedure Manual (cite):

- 2. Please indicate below the services which are entirely supported by WIC funds:**

- | | |
|--|--|
| <input checked="" type="checkbox"/> Anthropometric measurements | <input checked="" type="checkbox"/> Hematological assessments |
| <input checked="" type="checkbox"/> Nutrition counseling/education | <input checked="" type="checkbox"/> Other (specify): All WIC services |
| <input checked="" type="checkbox"/> Breastfeeding promotion/support | |
| <input checked="" type="checkbox"/> Immunization status assessments | |
| <input checked="" type="checkbox"/> Referrals to health and/or social services | |

ADDITIONAL DETAIL: SA/LA Spending Plan Appendix and/or Procedure Manual (cite):

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C. State and Local Agency Access to Funds

C. STATE AND LOCAL AGENCY ACCESS TO FUNDS

1. The State Agency manages its NSA Grant on a:

- ☐ cash basis ☒ accrual basis
☐ other (specify):

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

2. Reimbursement/Provision of Funds to Local Agencies

a. The State agency provides local agencies with funds in advance.

- ☒ Yes (state conditions): **as requested by an agency**
☐ No
☐ Does Not Apply (Proceed to next section.)

If yes, advances must be reconciled to incoming claims. Local agency claims are submitted:

- ☒ Monthly ☐ Quarterly

b. In order to qualify for payment, an expenditure must:

- ☐ be at or below the level of its approved budget line item
☒ be supported by appropriate documentation (e.g., check or receipt)
☒ be a reasonable and necessary expense for WIC
☐ other (specify):

c. If an expenditure exceeds the budget provided for that particular line item, the State agency requires the local agency to (check all that apply):

- ☐ submit a supplemental request
☐ provide a justification for exceeding the budget line item
☐ make an offsetting adjustment to another line item in its budget
☐ request approval of a budget modification
☒ other (explain): **n/a**

d. Local agencies receive payment via:

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C. State and Local Agency Access to Funds

☒ electronic funds transfer ☐ State treasury check/warrant
☐ other (specify):

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

D. Reporting and Reviewing of State and Local Agency Expenditures

D. REPORTING AND REVIEWING OF STATE AND LOCAL AGENCY EXPENDITURES

1. Documentation of Staff Time

- a. The State agency determines that only legitimate staff costs are attributed to the WIC Program by conducting studies to determine the percentage of time staff devoted to WIC tasks.

☐ Yes ☒ No

If yes, the information (check as applicable):

At SA	At LA	
<input type="checkbox"/>	<input type="checkbox"/>	100 percent reporting
<input type="checkbox"/>	<input type="checkbox"/>	Random moment sampling
		Periodic time studies:
<input type="checkbox"/>	<input type="checkbox"/>	1 week/month
<input type="checkbox"/>	<input type="checkbox"/>	1 month/quarter
<input type="checkbox"/>	<input type="checkbox"/>	other (specify):

- b. The State agency last evaluated its time documentation protocol on (specify date) If available, please attach a copy of the protocol in Appendix of this section or cite Procedure Manual reference.

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (cite):

2. Local Agency Report Forms

- a. The State agency specifies standard forms and/or procedures for local agencies to use in reporting monthly local-level expenditures.

☒ Yes ☐ No
☐ Does Not Apply (Proceed to next section)

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D. Reporting and Reviewing of State and Local Agency Expenditures

b. If a standard form is used, it requires local agencies to report NSA expenditures by:

- ☐ same categories as local agency budget
- ☒ other format which includes:
- ☐ **line item**
- ☐ accounting
 - ☐ ADP services
 - ☐ breastfeeding aids
 - ☒ capital expenditures
 - ☐ clinic/lab services
 - ☐ communications
 - ☒ employee salaries
 - ☐ employee fringe benefits
 - ☐ lease or rental of space
 - ☐ maintenance and repair
 - ☒ materials and supplies
 - ☐ memberships, subscriptions, and professional activities
 - ☐ printing and reproduction
 - ☐ training and education
 - ☐ transportation
 - ☒ travel
 - ☒ other (specify): **Form 269a includes categories of contractual, other, and direct for**
- ☐ **function**
- ☐ general administration/program management
 - ☐ food delivery
 - ☐ certification
 - ☐ nutrition education
 - ☐ breastfeeding promotion/support (e.g. breastfeeding aids)
 - ☐ client services
 - ☐ other (specify):
- ☐ **other (specify):**

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

3. On-Site Review of Local Agencies' Administrative Expenditures

a. The State agency conducts on-site reviews of local agency administrative expenditures:

- ☐ annually ☒ every two years ☐ every three years

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D. Reporting and Reviewing of State and Local Agency Expenditures

☒ other (specify): **If indicated can be more often than every two years**

The review is conducted by:

- ☒ WIC State agency staff
- ☐ State Department of Health fiscal or audit staff
- ☐ CPA or audit firm
- ☐ other (specify):

b. The State agency utilizes a standard format/guide to review local agencies' NSA expenditures.

☒ Yes ☐ No

If yes, the standard review guide includes the following procedures (check all that apply):

- ☒ verification of at least one monthly billing/claim/expenditure report against source documents
- ☒ tracking written approval of procurements
- ☒ requesting records of ordering, receipt, billing, and payment
- ☒ determination that costs were necessary, reasonable and appropriate
- ☒ determination that costs were properly allocated among WIC and other programs
- ☒ determination that personnel costs charged to WIC were appropriate
- ☒ determination that local agencies' indirect costs were appropriately charged
- ☐ other (specify):

c. If available, please attach a copy of the State agency's NSA expenditure review guide in Appendix Fiscal Monitoring Shell Report of this section.

d. The State agency notifies local agencies of findings and establishes claims for unallowable costs, as appropriate.

☒ Yes ☐ No

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (cite):

4. The State agency requires local agencies to document the sources and values of in-kind contributions.

☐ Yes ☒ No

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

D. Reporting and Reviewing of State and Local Agency Expenditures

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

E. Nutrition Education Costs

E. NUTRITION EDUCATION COSTS

1. The State agency assures that it meets its nutrition education and breastfeeding promotion expenditure requirements per 7 CFR 246.14(c)(1) via:

☒ activity reports ☐ time studies ☐ itemizing expenditures
☒ other (specify): **Tracking of local agency breastfeeding costs on spreadsheets**

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

2. The State agency monitors expenditures for the following activities related to breastfeeding promotion and support at the State and/or local level:

	State level	Local level
breastfeeding promotion coordinator's salary		<input type="checkbox"/>
<input type="checkbox"/>		
written educational materials	<input type="checkbox"/>	<input type="checkbox"/>
participant education/counseling	<input type="checkbox"/>	<input type="checkbox"/>
staff training	<input type="checkbox"/>	<input type="checkbox"/>
breastfeeding promotion activities	<input type="checkbox"/>	<input type="checkbox"/>
direct support costs	<input type="checkbox"/>	<input type="checkbox"/>
breastfeeding aids and equipment (i.e., breast pumps purchased with NSA funds)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
other	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(if other, specify): **all local agency breastfeeding costs reported by local agencies on
monthly reimbursement claim. Central state
agency and state agency public health region
offices code to Activity Code 260**

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

3. In the event that the State agency uses funds from other sources in meeting minimum expenditure requirements for nutrition education and breastfeeding promotion, please provide below the source of these funds, the amount, and the method the State agency will use to account for these funds. (Federal WIC food funds can not be counted toward the nutrition education and breastfeeding expenditure requirement.)

Source	Amount
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E. Nutrition Education Costs

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

4. Local agencies report nutrition education and breastfeeding promotion costs:

- ☒ when they report routine NSA costs
☐ through a different system (specify):

☐ not applicable

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

F. State and Local Agency Indirect Costs

F. STATE AND LOCAL AGENCY INDIRECT COSTS

1. Indirect Cost Rate and Services

- a. Please list below indirect cost/cost allocation agreements in which the State agency is included:

See agreement in appendix

- b. The State agency's indirect cost rate(s) is 9.9 central office; 14.1 public health regions; (%) and is based on:

☐ salaries ☐ direct costs for administration ☒ both

- c. Please cite here the date of the State agency's negotiated agreement and/or cost allocation plan for indirect costs 10/10/02.

- d. The State agency receives the following types of services under the indirect cost rate agreement(s):

<input checked="" type="checkbox"/> budgeting/accounting	<input checked="" type="checkbox"/> personnel/payroll
<input type="checkbox"/> ADP	<input checked="" type="checkbox"/> space usage/maintenance
<input type="checkbox"/> communication/phone/mail	<input type="checkbox"/> central supply
<input checked="" type="checkbox"/> legal services	<input checked="" type="checkbox"/> procurement/contracting
<input type="checkbox"/> printing/publication	<input checked="" type="checkbox"/> audit services
<input type="checkbox"/> equipment usage/maintenance	<input type="checkbox"/> other (specify):

- e. The State agency allows local agencies to report indirect costs.

☒ Yes ☐ No ☐ Not Applicable

**ADDITIONAL DETAIL: NSA Expenditures Appendix
and/or Procedure Manual (cite):**

2. Review of Indirect Cost Documentation

- a. The State agency and local agencies assure that services received and paid for through indirect costs benefit WIC and are not also charged directly to WIC through comparing direct charges by line item to a listing of services paid by funds collected through the application of the indirect cost rate:

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

F. State and Local Agency Indirect Costs

- ☒ Done for State agency level indirect costs (frequency): **annually**
☒ Done for local agency level indirect costs (frequency): **every 2 years**
☐ Not done at either level

- b. **State and local agency WIC management have access to and review the following documents as applicable to ensure that indirect cost services are not also charged directly to WIC (check all that apply):**

	State	Local
indirect cost agreements/plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>
the accounting mechanism used to ensure the propriety of indirect cost charges	<input type="checkbox"/>	<input type="checkbox"/>
a copy of the cost allocation plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
a list of all services paid from indirect costs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
other documentation related to the establishment and charging of indirect costs	<input type="checkbox"/>	<input type="checkbox"/>
not applicable	<input type="checkbox"/>	<input type="checkbox"/>

- c. **When the State agency reviews the local agencies' indirect cost rate agreements, this process includes (check all that apply):**

- ☒ required submission of indirect cost agreement by local agency to State agency
☒ assessment of how the rate or method is applied (correct time period, percentage, and base)
☒ verification that it had previously approved the local agency to negotiate such an agreement
☐ post-review or audit to ensure rate was properly applied
☒ other documentation related to the establishment and charging of indirect costs (list): **Most rates approved by Federal cognizant agency and approved by TDH**
☐ not applicable

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (cite):